Review of Structural adjustment loan to Punjab

3213. SHRIMATI SUKHBUNS KAUR:
SHRI DHARAM PAL SABHARWAL:

Will the Minister of FINANCE be pleased to state:

(a) whether requests to recommend the State Government of Punjab's proposal for Structural Adjustment Loan (SAL) assistance, of the order of total of US $ 800 million, to the World Bank, have been pending with Central Government, pending review of the SAL scheme in the light of the Twelfth Finance Commission recommendations;

(b) whether the guidelines for SAL have since been reviewed and revised in the light of the Twelfth Finance Commission recommendations, if so, the details of the revised guidelines; and

(c) what is Government's decision on the Punjab Government's request and the recommendation, if any, since made to the World Bank in the light thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) Yes Sir.

(b) Yes Sir, in the light of the recommendations of the Twelfth Finance Commission (TFC), the Ministry of Finance issued revised Structural Adjustment Loan (SAL) guidelines on 24-10-2005 to the States, which inter alia include:

(i) Enactment of Fiscal Responsibility Legislation in the line with TFC's requirements;

(ii) Drawing up a States on Fiscal Correction Path to reduce the revenue deficit zero in 2008-2009, contain fiscal deficit at the level of 2004-05 and bring the same down to 3% of GSDP by 2008-09;

(iii) Furnishing a letter of Commitment adopting the fiscal correction path with outcome indicators and process milestones; and

(iv) Submission of Concept Note on SAL.

(c) As per the revised guidleines, the states were asked to submit fresh proposals. The Government of Punjab has yet to submit a fresh proposal in consonance with the revised guidelines.

Streamlining of clearance process of Customs Department

3214. DR. K. MALAISAMY: Will the Minister of FINANCE be pleased to state:

(a) what are the measures taken by the customs department to streamline the existing clearance processes/procedures to facilitate easy clearance and augment customs revenue;

(b) whether there have been cases of evasion of duty and collusion of customs officials with evaders of duty. If so, what are the measures taken to check this malpractice;

(c) whether it is a fact that the delay in finalizing provisional assessment has led to postponement of revenue to Government to the tune of several crores of rupees; and

(d) if so, what are the effective measures initiated to avert such delays in future?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Government has taken a number of steps to simplify the procedures in Customs clearance. Significant amongst them are introduction of 'Risk Management System' which allows selective screening of high risk cargo for Customs examination, Special Customs clearane for authorized persons having good track record on the basis of self assessment without examination, automated Customs transshipment permission waiving the requirement of bank Guarantee, disposal of goods throug e-auction. These measures help in simplified filing of documents, faster assessment and payment of duty, quick clearance of goods resulting in augmentation of Customs revenue.

(b) There are certain cases of evasion of duty reported on account of collusion of customs officials with evaders. Where ever cases of such nature are identified appropriate departmental action has been taken with the advice of Central Vigilance Commission and Chief Vigilance Officer. The Customs procedures are continuously streamlined, automated for enhancing transparency and cutting down interface with the trade to avert any malpractice.